

Budget Brief: Department of Health

HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE

FY 2010

SUMMARY

The Mission of the Utah Department of Health (DOH) is to protect the public's health by preventing avoidable disease, injury, disability, and premature death; assuring access to affordable, quality health care; promoting healthy lifestyles; documenting health events; and monitoring and analyzing health trends. For more detailed information please visit the online Compendium of Budget Information for the 2009 General Session at http://le.utah.gov/lfa/reports/cobi2009/agcy_270.htm.

DOH includes the following entities and funding line items:

1. Executive Director's Operations
2. Health Systems Improvement
3. Workforce Financial Assistance Program
4. Epidemiology and Laboratory Services
5. Community and Family Health Services
6. Health Care Financing
7. Medicaid Mandatory Services
8. Medicaid Optional Services
9. Children's Health Insurance Program
10. Local Health Departments

[The Utah Department of Health](#) lists the following objectives as five of its major goals:

1. Expand public health coverage for children through Medicaid and the Children's Health Insurance Program
2. Work towards health insurance coverage for all Utah citizens as a long-term public health goal
3. Improve capacity to respond to intentional and natural public health threats at state and local levels
4. Establish prevention of childhood obesity as a public health priority
5. Provide public health facilities and health plans with

Figure 1: Health - Budget History

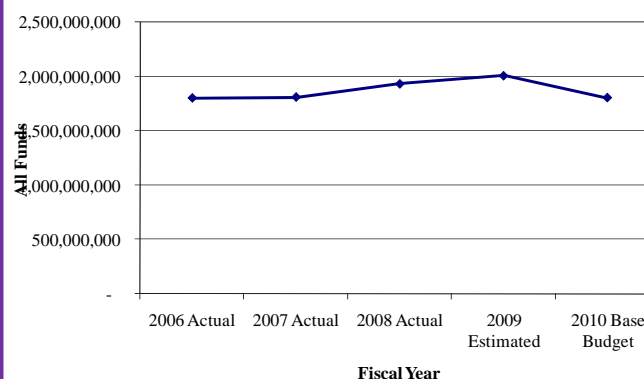


Figure 2: Health - FTE History

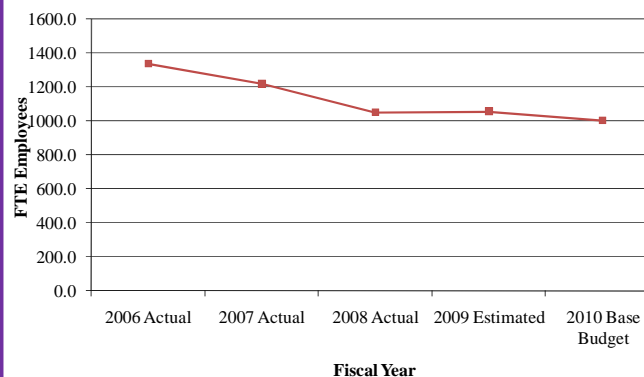
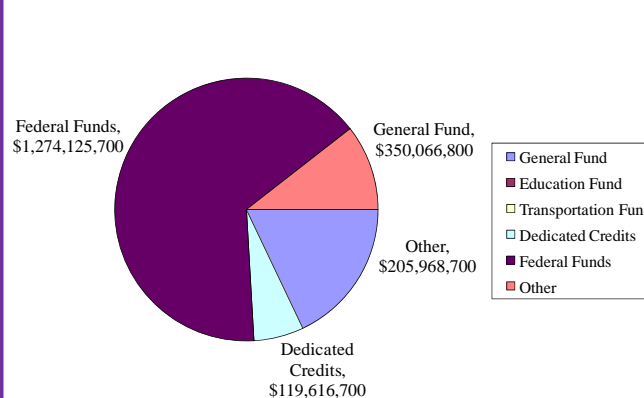


Figure 3: Health - FY 2010 Funding Mix



quality and performance data that are consistent, reliable, and understandable to consumers

BUDGET DETAIL

The budget listed in the table below details the budget allocations in the base budget bill. The base budget includes the following changes that affect all line items in the Department:

1. \$(103,500) ongoing General Fund for travel expense reductions.
2. \$(3,600) ongoing General Fund reduction for expenses in boards and commissions.
3. \$(32,100) ongoing General Fund (\$125,400 total funds) reduction in incentive rewards paid to employees.
4. \$(1,666,700) ongoing General Fund (\$4,652,700 total funds) reduction in personnel and current expenses.
5. \$(4,000,000) one-time Medicaid Restricted Account monies used as a partial backfill in FY 2009.
6. \$(5,629,200) ongoing General Fund backfilled with federal funds to reflect the favorable change in the FMAP (Federal Medical Assistance Percentage) rate effective October 1, 2009 for the State's Medicaid program.

Technical Adjustment to Base Budget

HB 281 "Grants to Rural Hospitals - Oversight Responsibilities" from the 2008 General Session transferred authority for distributing the \$555,000 in Rural Health Care Facilities Fund from the Department of Health to the Tax Commission. The Legislation passed and the funding showed up in the Tax Commission, but the money was not removed from the Department of Health. This net effect means that on the books there is twice as much money for the fund as really exists. The Analyst recommends removing all these funds from the Department of Health for FY 2009 & FY 2010.

| Health | | | | | | |
|----------------------------------------------|------------------------|-------------------------|---------------------|------------------------|-----------------------|-------------------------|
| Sources of Finance | FY 2008 Actual | FY 2009 Appropriated | Changes | FY 2009 Revised | Changes | FY 2010* Base Budget |
| General Fund | 366,720,600 | 370,400,500 | (17,023,500) | 353,377,000 | (3,310,200) | 350,066,800 |
| General Fund, One-time | 5,670,000 | (754,200) | 13,575,600 | 12,821,400 | (12,821,400) | 0 |
| Federal Funds | 1,267,666,400 | 1,287,083,200 | 13,805,200 | 1,300,888,400 | (26,762,700) | 1,274,125,700 |
| Dedicated Credits Revenue | 116,966,100 | 108,871,500 | 10,127,000 | 118,998,500 | 618,200 | 119,616,700 |
| GFR - Cat & Dog Spay & Neuter | 50,000 | 50,000 | 0 | 50,000 | 0 | 50,000 |
| GFR - Cigarette Tax Rest | 3,131,700 | 3,131,700 | 0 | 3,131,700 | 0 | 3,131,700 |
| GFR - Kurt Oscarson Trans | 100,000 | 100,000 | 0 | 100,000 | 0 | 100,000 |
| GFR - Medicaid Restricted | 4,065,000 | 5,828,400 | (1,828,400) | 4,000,000 | (4,000,000) | 0 |
| GFR - Nursing Care Facilities Account | 15,716,200 | 15,716,200 | 1,828,400 | 17,544,600 | (1,828,400) | 15,716,200 |
| GFR - State Lab Drug Testing Account | 407,100 | 418,000 | 0 | 418,000 | 0 | 418,000 |
| GFR - Tobacco Settlement | 18,710,700 | 16,768,000 | (152,900) | 16,615,100 | 0 | 16,615,100 |
| Organ Donation Contribution Fund | 113,000 | 113,000 | 0 | 113,000 | 0 | 113,000 |
| Transfers | 38,813,800 | 0 | 56,003,700 | 56,003,700 | 130,000 | 56,133,700 |
| Transfers - Environmental Quality | 19,900 | 32,500 | (32,500) | 0 | 0 | 0 |
| Transfers - Governor's Office Administration | 245,600 | 0 | 190,500 | 190,500 | (190,500) | 0 |
| Transfers - Human Services | 57,195,500 | 65,595,500 | (7,737,900) | 57,857,600 | (118,000) | 57,739,600 |
| Transfers - Intergovernmental | (275,300) | 34,489,600 | (34,528,600) | (39,000) | (234,300) | (273,300) |
| Transfers - Medicaid | 2,090,200 | 2,243,400 | (82,500) | 2,160,900 | (150,100) | 2,010,800 |
| Transfers - Other Agencies | 7,914,700 | 9,208,900 | (1,767,700) | 7,441,200 | (207,600) | 7,233,600 |
| Transfers - Public Safety | 405,800 | 347,400 | 38,200 | 385,600 | (5,600) | 380,000 |
| Transfers - State Office of Education | 15,200 | 0 | 100,000 | 100,000 | 0 | 100,000 |
| Transfers - Within Agency | 39,977,300 | 33,196,300 | 8,549,800 | 41,746,100 | 583,300 | 42,329,400 |
| Transfers - Workforce Services | 3,110,200 | 1,271,400 | 2,075,500 | 3,346,900 | (463,300) | 2,883,600 |
| Rural Health Care Facilities Fund | 277,500 | 277,500 | 0 | 277,500 | 0 | 277,500 |
| Beginning Nonlapsing | 4,688,700 | 3,499,100 | 3,043,500 | 6,542,600 | (3,963,900) | 2,578,700 |
| Closing Nonlapsing | (6,892,600) | (2,728,100) | 499,400 | (2,228,700) | 659,800 | (1,568,900) |
| Lapsing Balance | (14,477,400) | 2,063,000 | (2,340,500) | (277,500) | 277,500 | 0 |
| Total | \$1,932,425,900 | \$1,957,222,800 | \$44,342,300 | \$2,001,565,100 | (\$51,787,200) | \$1,949,777,900 |
| Line Items | | | | | | |
| Executive Director's Operations | 29,126,900 | 28,277,400 | (1,495,200) | 26,782,200 | (2,609,900) | 24,172,300 |
| Health Systems Improvement | 18,474,400 | 17,720,400 | 23,900 | 17,744,300 | (1,508,000) | 16,236,300 |
| Workforce Financial Assistance | 517,600 | 425,900 | 403,700 | 829,600 | (299,700) | 529,900 |
| Epidemiology & Lab Services | 21,457,700 | 20,698,100 | 1,760,100 | 22,458,200 | (1,643,600) | 20,814,600 |
| Community and Family Health Services | 107,423,100 | 107,697,500 | 11,556,600 | 119,254,100 | (4,213,400) | 115,040,700 |
| Health Care Financing | 117,295,400 | 95,149,500 | 22,362,600 | 117,512,100 | (1,003,100) | 116,509,000 |
| Medicaid Mandatory Services | 806,844,200 | 799,422,100 | (671,500) | 798,750,600 | (20,552,500) | 777,666,000 |
| Medicaid Optional Services | 771,059,100 | 809,483,000 | 9,995,900 | 819,478,900 | (21,136,600) | 798,342,300 |
| Local Health Departments | 2,681,600 | 2,327,000 | 0 | 2,327,000 | (17,300) | 2,309,700 |
| Children's Health Insurance Program | 57,545,900 | 76,021,900 | 406,200 | 76,428,100 | 1,729,000 | 78,157,100 |
| Total | \$1,932,425,900 | \$1,957,222,800 | \$44,342,300 | \$2,001,565,100 | (\$51,255,100) | \$1,949,777,900 |
| Personal Services | 71,127,100 | 69,250,300 | 5,900,500 | 75,150,800 | (1,445,700) | 73,705,100 |
| In-State Travel | 731,400 | 677,200 | 192,600 | 869,800 | 10,200 | 880,000 |
| Out of State Travel | 663,200 | 655,200 | 46,100 | 701,300 | (39,100) | 662,200 |
| Current Expense | 57,092,100 | 50,638,500 | 5,169,400 | 55,807,900 | (10,252,800) | 45,555,100 |
| DP Current Expense | 14,823,800 | 13,657,400 | 252,100 | 13,909,500 | (113,500) | 13,796,000 |
| DP Capital Outlay | 189,500 | 31,000 | (31,000) | 0 | 0 | 0 |
| Capital Outlay | 926,700 | 9,864,900 | (9,735,800) | 129,100 | (48,400) | 80,700 |
| Other Charges/Pass Thru | 1,786,872,100 | 1,812,448,300 | 42,548,400 | 1,854,996,700 | (39,897,900) | 1,815,098,800 |
| Total | \$1,932,425,900 | \$1,957,222,800 | \$44,342,300 | \$2,001,565,100 | (\$51,787,200) | \$1,949,777,900 |
| Budgeted FTE | 1049.4 | 1049.5 | 7.8 | 1057.3 | -54.0 | 1003.3 |
| Vehicles | 67.0 | 63.0 | 4.0 | 67.0 | 0.0 | 67.0 |

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

LEGISLATIVE ACTION

- The Analyst recommends moving all the Rural Health Care Facilities Fund monies out of the Department of Health to match approved Legislation – HB 281 “Grants to Rural Hospitals - Oversight Responsibilities” from the 2008 General Session.